STATEMENT OF BASIS FOR NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM (NPDES) PERMIT NO. WA 0040851 December 2009

I. GENERAL INFORMATION

Facility: Steelscape, Inc.

222 West Kalama River Road Kalama, Washington 98625

II. PERMIT MODIFICATION REQUEST

A permit modification request was submitted to the Department of Ecology (Ecology) on September 9, 2009. By October 5, 2009, Ecology reviewed the request, asked for additional information and scheduled to work on the permit in December 2009. Ecology met with Steelscape and conducted an inspection on December 21, 2009.

In the permit modification request, Steelscape asked for a credit for iron in intake water, which is supplied by the city of Kalama. Such credit is allowed by 40 CFR¹ 122.45(g). According to the request, the intake water contains between 0.161 milligrams per liter (mg/L) and 1.05 mg/L of iron. The average concentration of iron in Steelscape's effluent has been 0.1 mg/L.

The current permit does not give any allowances for iron from other production lines but the coil paint line and the iron limit is based on the coil paint line production only. Ecology proposes to change wastewater flow used to calculate compliance with the iron limit. Instead of the total flow, Steelscape may use the coil paint line wastewater flow. The change should enable Steelscape to meet the iron limit and the credit for iron in intake water is not necessary.

Ecology has also evaluated a reasonable potential to exceed iron water quality (WQ) criteria, chronic WQ criterion of 1.0 mg/L and human health criterion of 0.3 mg/L. The criteria are over hundred times higher than the iron concentration at the end of the mixing zone. Ecology concludes that the reasonable potential to exceed the iron water quality criteria does not exist and the iron technology-based limit is more stringent than the iron water-quality-based limit would be.

III. RECEIVING WATER AND EFFLUENT STUDY

Steelscape has already conducted the study and submitted a report therefore special condition S6. is removed from the permit.

¹ Code of Federal Regulations